AMENDMENTS TO THE CLAIMS

1.   (CURRENTLY AMENDED) A method for ~~activating a merchant account for use in connection with~~ configuring a point-of-sale terminal for use in connection with a merchant account, comprising the steps of:

during an on-line session with an applicant for a merchant account,

receiving information from the applicant completing an application for the merchant account,

receiving information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account,

based on the received information, determining terms and conditions applicable to the applicant's merchant account upon acceptance;

displaying such determined terms and conditions to the applicant relating to the administration of the merchant account, and

receiving an indication of acceptance of the terms and conditions from the applicant;

in response to the indication of acceptance of the terms and conditions from the applicant and during the on-line session, generating identification information associated with the merchant account and the point-of-sale terminal, the identification information comprising a merchant ID (MID) and a terminal ID (TID);

during the online session, configuring an account file for administration of the merchant account with the identification information; and

configuring the selected point-of-sale terminal with the identification information from the account file.

2.   (ORIGINAL) The method of Claim 1, wherein the terms and conditions include a fee schedule for services relating to the administration of the merchant account.

3.   (ORIGINAL) The method of Claim 1, wherein the step of configuring the point-of-sale terminal with the identification information comprises the steps of:

4

programming the point-of-sale terminal with the identification information; and

shipping the point-of-sale terminal to the applicant.

4.   (CURRENTLY AMENDED) The method of Claim 1, wherein the step of configuring the point-of-sale terminal with the identification information comprises the steps of:

receiving a telephone directory number associated with <u>a</u> the point-of-sale terminal <u>already in possession of</u> from the applicant;

placing a telephone call to the directory number associated with the point-of-sale terminal <u>already in possession of</u> from the applicant; and

reprogramming the point-of-sale terminal <u>already in possession of the applicant</u> with the identification information during the telephone call.

5.   (ORIGINAL) The method of Claim 1, further comprising the steps of, during the on-line session:

determining a credit risk score for the application; and

based on the credit risk score, establishing the terms and conditions for the merchant account.

6.   (ORIGINAL) The method of Claim 1, further comprising the steps of, during the on-line session:

determining a credit risk score for the application;

based on the credit risk score, determining whether to accept the application; and

automatically transmitting an e-mail message to notify the applicant whether the application has been accepted.

7.   (ORIGINAL) The method of Claim 1, further comprising the step of, during the on-line session, electronically issuing a visitation order requesting a physical visit

5

to the premises of the applicant to verify that the applicant is conducting a type of business stated in the application.

8.   (ORIGINAL) The method of Claim 1, wherein the step of receiving information from the applicant completing an application for the merchant account further comprises the steps of:

   prompting the user to enter business contact information;

   prompting the user to enter business premises information;

   prompting the user to enter business sales data; and

   prompting the user to enter business owner information.

9.   (PREVIOUSLY AMENDED) The method of Claim 1, wherein the step of receiving information from the applicant completing an application for the merchant account further comprises the step of prompting the user to provide information relating to funding for the charges associated with administering the merchant account.

10.   (ORIGINAL) The method of Claim 1, wherein the step of receiving information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account further comprises the steps of:

   displaying a menu of point-of-sale terminal options;

   displaying a view control item in association with each option;

   receiving a user command selecting a particular view control item; and

   displaying an image depicting the point-of-sale terminal associated with the selected view control item.

11.   (ORIGINAL) The method of Claim 1, further comprising the steps of:

   receiving a business type designation from the applicant;

   determining a business risk category associated with the business type designation; and

   implementing risk adjustment measures based on the business risk category associated with the business type designation.

6

12.   (ORIGINAL) The method of Claim 11, wherein the step of implementing risk adjustment measures based on the business risk category associated with the business type designation further comprises the steps of:

    displaying a menu of risk adjustment measures;

    receiving a user command from the applicant indicating a preferred risk adjustment selection; and

    implementing the risk adjustment measures based on the preferred risk adjustment selection.

13.   (ORIGINAL) The method of Claim 11, wherein the step of implementing risk adjustment measures based on the business category associated with the business type designation further comprises the steps of:

    determining a reserve requirement;

    displaying the reserve requirement to the applicant; and

receiving a user command from the applicant accepting the reserve requirement.

14.   (ORIGINAL) The method of Claim 11, wherein the step of implementing risk adjustment measures based on the business risk category associated with the business type designation further comprises the steps of:

    determining a risk-adjusted fee schedule;

    displaying the risk-adjusted fee schedule to the applicant; and

    receiving a user command from the applicant accepting the risk-adjusted fee schedule.

15.   (ORIGINAL) A computer readable medium storing computer-executable instructions for performing the method of Claim 1.

16.   (CANCELLED)

17.   (CURRENTLY AMENDED) A method for configuring activating a merchant account for use in connection with a point-of-sale terminal for use in connection

7

with a merchant account, comprising the steps of, during an on-line session with an applicant for a merchant account:

receiving information from the applicant completing an application for the merchant account including business contact information, business premises information, business sales data, business owner information, and information relating to funding for the charges associated with administering the merchant account;

displaying a menu of point-of-sale terminal options, displaying a view control item in associated with each option, receiving a user command selecting a particular view control item, and displaying an image depicting the point-of-sale terminal associated with the selected view control item;

receiving information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account including:

determining a credit risk score the application;

based on the credit risk score, ~~establishing the~~ determining terms and conditions applicable to the applicant if accepted including a fee schedule for the merchant account;

displaying the determined terms and conditions to the applicant relating to the administration of the merchant account; and

receiving an indication of acceptance of the terms and conditions from the applicant;

generating identification information associated with the merchant account and the point-of-sale terminal;

configuring an account file for administration of the merchant account with the identification information; and

electronically issuing a visitation order requesting a physical visit to the premises of the applicant to verify that the applicant is conducting a type of business stated in the application.

18. (ORIGINAL) The method of Claim 17, further comprising the steps of, either during or subsequent to the on-line session:

8

programming the point-of-sale terminal with the identification information;

and

shipping the point-of-sale terminal to the applicant.

19.   (CURRENTLY AMENDED) The method of Claim 17, further
comprising the steps of, either during or subsequent to the on-line session:

receiving a telephone directory number associated with a ~~the~~ point-of-sale
terminal <u>already in possession of</u> ~~from~~ the applicant;

placing a telephone call to the telephone directory number associated with the
point-of-sale terminal <u>already in possession of</u> ~~from~~ the applicant; and

reprogramming the point-of-sale terminal <u>already in possession of the
applicant</u> with the identification information during the telephone call.

20.   (ORIGINAL) A computer readable medium storing
computer-executable instructions for performing the method of Claim 17.

21.   (CANCELLED)

22.   (CURRENTLY AMENDED) A method for <u>configuring</u> ~~activating a
merchant account for use in connection with~~ a point-of-sale terminal <u>for use in connection
with a merchant account</u>, comprising the steps of, during an on-line session with an applicant
for a merchant account:

receiving a business type designation from the applicant;

determining a business risk category associated with the business type
designation;

based on the business risk category associated with the business type
designation, determining <u>risk adjustment measures comprising</u> a reserve requirement and a
risk-adjusted fee schedule for services related to administration of the merchant account;

displaying terms and conditions <u>relating to the risk adjustment measures</u>
~~including the reserve requirement and the risk-adjusted fee schedule to the applicant~~;

9

receiving an indication of acceptance of the terms and conditions from the applicant;

generating identification information associated with the merchant account and the point-of-sale terminal, the identification information comprising a merchant ID (MID) and a terminal ID (TID) associated with a selected point-of-sale terminal; and

configuring an account file for administration of the merchant account with the identification information and the risk adjustment measures; and

configuring the selected point-of-sale terminal with the identification information.

23. (ORIGINAL) The method of Claim 22, further comprising the steps of, either during or subsequent to the on-line session:

receiving information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account; and

configuring the point-of-sale terminal with the identification information.

24. (CURRENTLY AMENDED) A computer readable medium storing computer-executable instructions for performing the method of Claim 22 23.

25. (CANCELLED)

26. (CURRENTLY AMENDED) A computer-controlled apparatus for configuring a point-of-sale terminal for use in connection with activating a merchant account during an on-line session with an applicant for the merchant account, for use in connection with a point-of-sale terminal, comprising:

structure to receive information from the applicant completing an application for the merchant account;

structure to receive information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account;

structure to determine terms and conditions applicable to the applicant's merchant account based on the received information;

10

structure to send <u>such determined</u> terms and conditions to the applicant for display relating to the administration of the merchant account;

structure to receive an indication of acceptance of the terms and conditions from the applicant;

structure <u>responsive to the indication of acceptance of the terms and conditions from the applicant during the on-line session</u> to generate identification information associated with the merchant account and the point-of-sale terminal, <u>the identification information comprising a merchant ID (MID) and a terminal ID (TID)</u>;

structure to configure an account file for administration of the merchant account with the identification information <u>during the on-line session</u>; and

structure to configure the <u>selected</u> point-of-sale terminal with the identification information.

27.   (PREVIOUSLY ADDED) The apparatus of Claim 26, wherein the terms and conditions include a fee schedule for services relating to the administration of the merchant account.

28.   (PREVIOUSLY ADDED) The apparatus of Claim 26, wherein the point-of-sale terminal is programmed with the identification information by the configure structure and then shipped to the applicant.

29.   (CURRENTLY AMENDED) The apparatus of Claim 26, wherein the point-of-sale terminal is <u>already in possession of the applicant and is</u> configured by the configure structure remotely by a telephone call to a telephone directory number associated with the point-of-sale terminal to reprogram the point-of-sale terminal with the identification information during the telephone call.

30.   (PREVIOUSLY ADDED) The apparatus of Claim 26, further including structure to determine a credit risk score for the application and based on the credit risk score to establish the terms and conditions for the merchant account.

11

31.   (PREVIOUSLY ADDED) The apparatus of Claim 26, including
structure to determine a credit risk score to determine whether to accept the application; and
                structure to automatically transmit an e-mail message to notify the applicant
whether the application has been accepted.

32.   (PREVIOUSLY ADDED) The apparatus of Claim 26, including
structure to electronically issue a visitation order requesting a physical visit to the premises of
the applicant to verify that the applicant is conducting a type of business stated in the
application.

33.   (PREVIOUSLY ADDED) The apparatus of Claim 26, including:
structure to prompt the user to enter business contact information;
structure to prompt the user to enter business premises information;
structure to prompt the user to enter business sales data; and
structure to prompt the user to enter business owner information.

34.   (CURRENTLY AMENDED) The apparatus ~~method~~ of Claim 26,
including structure to prompt the user to provide information relating to funding for the
charges associated with administering the merchant account.

35.   (PREVIOUSLY ADDED) The apparatus of Claim 26, including:
structure to send a menu of point-of-sale terminal options to the applicant for
display;
                structure to send a view control item in association with each option;
                structure to receive a user command selecting a particular view control item;
and
                structure to send an image depicting the point-of-sale terminal associated with
the selected view control item to the applicant for display.

36.   (PREVIOUSLY ADDED) The apparatus of Claim 26, including:
structure to receive a business type designation from the applicant;

12

structure to determine a business risk category associated with the business

type designation; and

structure to implement risk adjustment measures based on the business risk

category associated with the business type designation.

37. (PREVIOUSLY ADDED) The apparatus of Claim 36, further

including:

structure to send a menu of risk adjustment measures to the applicant for

display;

structure to receive a user command from the applicant indicating a preferred

risk adjustment selection; and

structure to implement the risk adjustment measures based on the preferred

risk adjustment selection.

38. (PREVIOUSLY ADDED) The apparatus a Claim 36, further including:

structure to determine a reserve requirement;

structure to send the reserve requirement to the applicant for display; and

structure to receive a user command from the applicant accepting the reserve

requirement.

39. (CURRENTLY AMENDED) The apparatus ~~method~~ of Claim 36,

further including:

structure to determine a risk-adjusted fee schedule;

structure to send the risk-adjusted fee schedule to the applicant for display; and

structure to receive a user command from the applicant accepting the risk-

adjusted fee schedule.

41 40. (CURRENTLY AMENDED) A computer-controlled apparatus for

configuring ~~activating a merchant account for use in connection with~~ a point-of-sale terminal

for use in connection with a merchant account during an on-line session with an applicant for

a merchant account comprising:

13

structure to receive information from the applicant completing an application for the merchant account including business contact information, business premises information, business sales data, business owner information, and information relating to funding for the charges associated with administering the merchant account;

structure to send a menu of point-of-sale terminal options and display a view control item in association with each option to the applicant for display;

structure to receive a user command selecting a particular view control item;

structure to send an image depicting the point-of-sale terminal associated with the selected view control item to the applicant for display;

structure to receive information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account including;

structure to determine a credit risk score for the application;

structure to ~~establish~~ determine the terms and conditions applicable to the applicant's merchant account including a fee schedule for the merchant account based on the credit risk score;

structure to send the determined terms and conditions to the applicant for display relating to the administration of the merchant account;

structure to receive an indication of acceptance of the terms and conditions from the applicant;

structure to generate identification information associated with the merchant account and the selected point-of-sale terminal;

structure to configure an account file for administration of the merchant account with the identification information; and

structure to electronically issue a visitation order requesting a physical visit to the premises of the applicant to verify that the applicant is conducting a type of business stated in the application.

42 ~~41.~~ (PREVIOUSLY ADDED) The apparatus of Claim ~~40~~ 41, including the point-of-sale terminal is programmed with the identification information by the configuration structure and shipped to the applicant.

14

43 ~~42.~~ (CURRENTLY AMENDED) The apparatus of Claim ~~40,~~ 41 wherein the point-of-sale terminal is <u>already in possession of the applicant and is</u> configured by the configure structure remotely by a telephone call to a telephone directory number associated with the point-of-sale terminal to reprogram the point-of-sale terminal with the identification information during the telephone call.

24 ~~43.~~ (CURRENTLY AMENDED) A computer-controlled apparatus for <u>configuring</u> ~~activating a merchant account for use in connection with~~ a point-of-sale terminal <u>for use in connection with a merchant account</u> during an on-line session with an applicant for a merchant account comprising:

      structure to receive a business type designation from the applicant;

      structure to determine a business risk category associated with the business type designation;

      structure to determine <u>risk adjustment measures comprising</u> a reserve requirement and a risk-adjusted fee schedule for services related to administration of the merchant account based on the business risk category associated with the business type designation;

      structure to send terms and conditions <u>relating to the risk adjustment measures</u> ~~including the reserve requirement and the risk-adjusted fee schedule~~ to the applicant for display;

      structure to receive an indication of acceptance of the terms and conditions from the applicant;

      structure to generate identification information associated with the merchant account and the point-of-sale terminal, <u>the identification information comprising a merchant ID (MID) and a terminal ID (TID) associated with a selected point-of-sale terminal;</u> ~~and~~

      structure to configure an account file for administration of the merchant account with the identification information <u>and the risk adjustment measures during the on-line session; and</u>

      <u>structure to configure the selected point-of-sale terminal with the identification information from the account file.</u>

15

25 44. (PREVIOUSLY ADDED) The apparatus of Claim 43, including:

structure to receive information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account; and

structure to configure the point-of-sale terminal with the identification information.

16 45. (NEW) The method of Claim 1, wherein the information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account comprises selecting from a new terminal for the applicant or an existing terminal already in possession of the applicant.

40 46. (NEW) The apparatus of Claim 26, wherein the information from the applicant selecting a point-of-sale terminal for use in connection with the merchant account comprises selecting from a new terminal for the applicant or an existing terminal already in possession of the applicant.

16